



# CITY OF PHILADELPHIA

**JAMES F. KENNEY**  
Mayor

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June 26, 2019

Via email to [jfreedman@americanacademic.com](mailto:jfreedman@americanacademic.com)  
Joel Freedman, Chief Executive Officer  
American Academic Health System, LLC  
1500 Market St., 24th Floor  
West Tower, Centre Square  
Philadelphia PA 19102

**Re: Hahnemann University Hospital**

Dear Mr. Freedman:

We write as Mayor and Health Commissioner of the City of Philadelphia. We write to express concern about threats you and AAHS have made to close Hahnemann University Hospital. Abrupt closure of Hahnemann would cause substantial harm to patients, hospital residents and other employees, the community at large, and the City itself. We have been attempting to work with you to achieve stability, and we will continue to do so. We ask, however, that you and AAHS not take any rash actions that threaten such harm.

Please remember that a 1969 regulation of the City Board of Health prohibits any hospital within the city from discontinuing emergency care or facilities in whole or in part without the written authorization of the Health Commissioner. See <https://www.phila.gov/media/20181011102539/Reg-Governing-the-Conduct-Operation-and-Maintenance-of-Emergency-Care-and-Facilities-in-Hospitals-11011969.pdf>. Dr. Farley has not consented to any reduction in emergency care by Hahnemann. Should AAHS discontinue emergency care or reduce its emergency care facilities without the required consent, we will ask the City Solicitor to go to court to enforce this long-standing regulation.

Hahnemann's abrupt closure would have severe consequences for patients. We understand Hahnemann to serve about 56,000 patients a year in its emergency room alone. On an average day, Hahnemann serves more than 600 people in its facilities, including more than 150 in emergency care and up to 496 in various critical care units and other hospital beds. We would need in-depth consultation and planning to determine whether and how Hahnemann's various facilities could be safely reduced or eliminated.

Late yesterday we heard that you plan to divert ambulances from Hahnemann between this Friday, June 28, and Monday, July 1. Today we have just received a copy of a letter from Drexel to the Pennsylvania Department of Health, indicating that AAHS has shared a draft closure plan calling for Hahnemann to close most emergency and operating room services beginning July 1, effectively discontinue all new admissions as of July 12 and cease most clinical operations by the end of July. Press reports indicate you expect to close Hahnemann entirely by approximately September 6.

This is unacceptable on such short notice. This is the beginning of Fourth of July week, which in Philadelphia typically coincides with elevated levels of emergency transports. You may not close or reduce your emergency services without an acceptable plan in place, and we do not see how that can be possible this week when you have not even presented us with a proposed plan. **Please assure us in writing by 10 a.m. tomorrow that you will not end or decrease emergency services before July 12 or without negotiating a closure plan acceptable to Dr. Farley.**

Closure without advance consultation and planning would also be devastating to Hahnemann residents and to Drexel's medical school. While many physicians and nurses may be able to obtain new employment in the area, especially if given substantial notice, it is much more difficult for residents to attempt this mid-residency. AAHS's current uncertainty and its threats to breach its affiliation agreement with Drexel are already likely to be affecting enrollment decisions by its students and potential students, leading some to decide to attend medical school elsewhere and others to seek residencies, and ultimately to open practices, outside the Philadelphia area. This of course causes real harm to the City as well as to Drexel and its students. You need to work with us to avoid or mitigate these harms.

Hahnemann's facilities are also important to people who live and work in the City, especially in and near Center City. Abrupt closure would be extremely disruptive at best. At a minimum, closure would require in-depth consultation, planning, and agreement on measures acceptable to the City.

The City is also concerned that various corporate reorganizations or the closure of Hahnemann's facilities could make it more difficult for AAHS or its principals to pay taxes. We don't know the amounts AAHS owes, nor are we personally asking to know; but the Mayor has directed the Law Department to work with you and your counsel on any ongoing issues with taxes or other City charges. You will receive a separate, confidential letter or letters concerning such matters. This is another, not insubstantial part of the City's concern, and must be addressed.

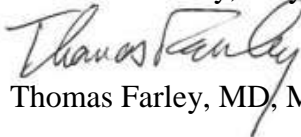
Finally, we are concerned about the potential discontinuation of services provided at St. Christopher's Hospital for Children. St. Chris offers critical care services for infants, children, and young adults, especially those in high-need populations. We expect that you and AAHS will take no steps to reduce those services, and that you will work with us concerning any potential challenges there, as well as with Hahnemann.

We reiterate our offer to work with you to help achieve long-term stability and any necessary transitions in the public interest. Our point of contact for these matters is the Mayor's Chief of Staff, Jim Engler. Thank you for your anticipated cooperation.

Sincerely,



James F. Kenney, Mayor



Thomas Farley, MD, MPH, Health Commissioner

Joel Freedman, Chief Executive Officer  
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cc: Marcel S. Pratt, City Solicitor (via email)  
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